



4310-05-P

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

Notice of Record of Decision for the Western Energy Company's Rosebud Mine Area F Final Environmental Impact Statement

[S1D1S SS08011000 SX064A000 190S180110; S2D2S SS08011000 SX064A000 19XS501520]

AGENCY: Office of Surface Mining Reclamation and Enforcement, U.S. Department of the Interior.

ACTION: Notice of Record of Decision.

SUMMARY: In accordance with the National Environmental Policy Act (NEPA) of 1969, as amended, the Office of Surface Mining Reclamation and Enforcement (OSMRE) has prepared a Record of Decision (ROD) for the Final Environmental Impact Statement (EIS) for the Western Energy Company's Rosebud Mine Area F (Project) in southeastern Montana. This Notice of Availability (NOA) serves to notify the public that OSMRE has prepared the ROD and it is available for review. In developing the ROD, the OSMRE considered the public comments received on the Final EIS.

ADDRESSES: You can download the ROD at the following OSMRE Western Region website: <https://www.wrcc.osmre.gov/initiatives/westernEnergy/documentLibrary.shtm>.

FOR FURTHER INFORMATION CONTACT: Logan Sholar, OSMRE Project Coordinator; Telephone: 303-293-5036; Address: 1999 Broadway Street, Suite 3320, Denver, Colorado 80202-3050; email: lsolar@osmre.gov. Persons who use a telecommunications device for the deaf may call the Federal Information Relay Service

(FIRS) at 1-800-877-8339 to contact the above individual during normal business hours.

The FIRS is available 24 hours a day, 7 days a week, to leave a message or question with the above individual. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION:

I. Background on the Project

II. Background on the Rosebud Mine

III. Background on Rosebud Mine Area F

IV. Alternatives

V. Environmental Impact Analysis

VI. Decision

I. Background on the Project

The purpose of the Project is to consider continued operations at the Rosebud Mine by permitting and developing a new surface mine permit area, known as permit Area F. Western Energy submitted a permit application package to the Montana Department of Environmental Quality (DEQ) for the proposed 6,746-acre permit Area F (also referred to as the project area) at the Rosebud Mine, which is an existing 25,455-acre surface coal mine annually producing 8.0 to 10.25 million tons of low-sulfur subbituminous coal. The DEQ is the regulatory authority for permitting actions involving Federal coal in Montana. *See* 30 CFR 926.10. If the Federal mining plan for the Project is approved as proposed, at the current rate of production, the operational life of the Rosebud Mine would be extended by 8 years. Mining operations in the project area, which would commence after all permits and approvals have been secured and a reclamation and performance bond has been posted, would last 19 years. Approximately

68.5 million tons of private and Federal recoverable coal reserves exist in the project area and would be removed during the 19-year operations period. As with other permit areas of the Rosebud Mine, all coal would be combusted locally at the Colstrip and Rosebud Power Plants.

Western Energy obtained a surface coal mine operating permit from DEQ (pursuant to the Montana Strip and Underground Mine Reclamation Act (MSUMRA), Section 82-4-221 *et seq.*, Montana Code Annotated) on April 18, 2019. Federal approval of the mining plan is required to mine leased Federal coal in accordance with the Mineral Leasing Act of 1920 as Amended for the proposed project area to access additional coal reserves in Federal coal lease M82186 and in privately held leases G-002 and G-002-A. OSMRE's purpose for the Project is to review the mining plan and make a recommendation to the Assistant Secretary for Land and Minerals Management (ASLM) in the form of a mining plan decision document to approve, disapprove, or approve with conditions, the proposed mining plan for the Project (30 CFR 746) . The ASLM will decide whether the mining plan is approved, disapproved, or approved with conditions.

The Final EIS considered three alternatives and evaluated the direct, indirect, and cumulative effects of the Proposed Action and the other two alternatives on the environment. The Final EIS was published on November 30, 2018 followed by a 30-day waiting period after which OSMRE is able to publish the Record of Decision establishing the agency's selected alternative.

OSMRE is complied with Section 106 of the National Historic Preservation Act (NHPA Section 106)(16 U.S.C. §470f), as provided in 36 CFR 800.2(d)(3), concurrently with the NEPA process, including public involvement requirements and consultation with

the State Historic Preservation Officer and Historic Preservation Officers of Tribal nations. Native American Tribal consultations are ongoing and have been conducted in accordance with applicable laws, regulations, and U.S. Department of the Interior (DOI) policy.

As part of its consideration of the proposed Project's impacts on threatened and endangered species, OSMRE conducted informal consultation as well as streamlined consultation per the final 4(d) rule for the northern long-eared bat with the U.S. Fish and Wildlife Service pursuant to Section 7 of the Endangered Species Act (ESA)(16 U.S.C. §1536), and its implementing regulations, as provided in 50 CFR 400. The Section 7 consultation considered direct and indirect impacts from the proposed Project, including mining and related operations in the project area and continued operation of the Colstrip and Rosebud Power Plants.

In addition to compliance with NEPA, NHPA Section 106, and ESA Section 7, all Federal actions will be in compliance with applicable requirements of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. §§1021-1328), the Clean Water Act (33 U.S.C. §§1251-1387), the Clean Air Act (42 U.S.C. §§7401-7671q), and Executive Orders relating to environmental justice, Tribal consultation, and other applicable laws and regulations.

II. Background on the Rosebud Mine

Coal has been mined at Colstrip, MT for more than 90 years. The Northern Pacific Railway established the city of Colstrip and its associated mine in the 1920s to access coal from the Fort Union Formation. Coal mining began in 1924, providing fuel for the railway's steam locomotive trains. During the initial 34 years of mining, 44

million tons of coal were mined. By 1958, diesel-powered locomotives replaced steam engines and mining ceased in the Colstrip area.

In 1959, the Montana Power Company purchased rights to the Rosebud Mine in the city of Colstrip with plans to build power generation facilities. The Rosebud Mine operation began production in 1968. In 2001, Westmoreland purchased the Rosebud Mine; its subsidiary, Western Energy, continues to operate the mine today. Although the Rosebud Mine has shipped coal by rail as recently as 2010, all coal currently produced by the mine is consumed locally at the Colstrip and Rosebud Power Plants.

III. Background on the Western Energy Proposed Permit Area F

Western Energy proposes to conduct surface coal mining and reclamation operations within the 6,746-acre proposed permit Area F of the Rosebud Mine. The project area would be adjacent to the western boundary of Area C, 12 miles west of Colstrip. Western Energy proposes to conduct surface coal mining operations on an approximately 2,085-acre portion of the project area, with a total disturbance footprint, including soil storage, scoria pits, and haul roads, of approximately 4,260 acres. The project area would, in conjunction with the mining of any reserves remaining within existing permit areas A, B, and C of the Rosebud Mine, supply low-sulfur coal to the Colstrip Power Plant (Units 3 and 4) at a rate of between 7.7 and 9.95 million tons annually. In addition, coal from the Rosebud Mine with higher sulfur content would be supplied to the Rosebud Power Plant at a rate of approximately 300,000 tons annually.

Approval of the proposed permit Area F is expected to require several other agency actions, including:

- Findings and recommendations by BLM with respect to Western Energy's Resource Recovery and Protection Plan and other requirements of Western Energy's lease.
- Approval by DEQ of Western Energy's Montana Air Quality Permit #1570-07 to allow expansion of the geographic extent of the mine to include the proposed permit Area F; and
- Approval by DEQ of a new MPDES permit.

IV. Alternatives

Alternatives carried forward in the Final EIS included the No Action Alternative (Alternative 1), the Proposed Action Alternative (Alternative 2), and the Proposed Action Plus Additional Environmental Protection Measures Alternative (Alternative 3). Several other alternatives were considered by OSMRE but not carried forward for detailed analysis in the Final EIS because they either did not meet the purpose and need of the Project or were not considered technically or economically feasible or cost-effective.

OSMRE selected Alternative 2, in part, as its preferred alternative, after consideration of all alternatives analyzed in the Final EIS. The analysis in the Final EIS considers direct, indirect, and cumulative impacts of the Proposed Action and two Alternatives. Per 40 CFR 1501.7, the issues raised during the scoping period (August 27–November 8, 2013) were used to inform the analyses and identify the alternatives considered in the EIS.

V. Environmental Impact Analysis

The Final EIS analyzes the potential environmental impacts to 16 different resource categories, including:

- Air Quality
- Climate Change
- Geology and Soils
- Archaeology and Cultural Resources
- Water Resources and Hydrology
- Vegetation
- Wildlife and Habitats
- Special Status Species
- Land Use, Transportation, and Agriculture
- Recreation
- Social and Economic Values
- Environmental Justice
- Visual Resources
- Noise and Vibration impacts
- Hazardous and Solid Wastes
- Public Health and Safety

In accordance with the CEQ's regulations for implementing NEPA and the DOI's NEPA regulations, OSMRE solicited public comments on the Draft EIS. OSMRE responses to comments are included in Appendix F of the Final EIS. The agencies considered comments received from the public on the Draft EIS and incorporated them, as appropriate, into the Final EIS.

VI. Decision

In consideration of the information presented above, OSMRE approves the ROD and selects Alternative 2 (the Proposed Action), in part, as described in the ROD (Section 3.2). This action can be implemented following approval of the mining plan by the ASLM.

Authority: 40 CFR 1506.6, 40 CFR 1506.1

Dated: June 18, 2019.

David Berry,

Regional Director, Regions 5, 7, 8, 9, 10 and 11.

[FR Doc. 2019-13778 Filed: 6/27/2019 8:45 am; Publication Date: 6/28/2019]